

Fiscal Services Division
Legislative Services Agency
Fiscal Note

SF 414 - Gambling, Social (LSB 1815 SV)

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Fiscal Note Version - New

Description

Senate File 414 creates a new section in the Code of Iowa that provides for the operation of card game tournaments by qualified organizations representing veterans and allowable prizes at annual game nights that are conducted by authorized organizations.

Background

Section 1, paragraph 4 of the Bill requires that qualifying organizations submit an application and purchase an annual license (\$100 per license) from the Department of Inspections and Appeals if they intend to conduct an approved card game tournament.

Section 5 of the Bill requires that sales from the authorized card game tournaments be subject to sales tax.

The Department of Inspections and Appeals currently has 1.33 FTE positions allocated to administration of Chapter 99B, Code of Iowa in the areas of bingo, raffles, social gambling, games of skill and games of chance. Senate File 414 will add qualifying card game tournaments to the Department's duties in administration of Chapter 99B, Code of Iowa.

Assumptions

Although the number of qualified organizations representing veterans that may conduct qualifying card game tournaments is unknown, it is expected to have an increase in the amount of inquiries, license applications, complaints and other administrative duties. Current staff will handle the additional duties required.

Revenues generated from the \$100 application fee and the sales tax from the card game tournaments will be deposited in the General Fund. The anticipated number of qualified organizations that will use the card game tournaments is currently unknown.

Fiscal Impact

The Department of Inspections and Appeals will handle the additional workload of SF 414 with current staff. There will be no additional cost compared to current law with the implementation of SF 414.

General Fund revenues are expected to increase compared to current law estimates with the implementation of SF 414. Although the increase is not specifically known, the increase is estimated to be less than \$100,000.

Sources

Department of Revenue
Department of Inspections and Appeals.

/s/ Holly M. Lyons

March 13, 2007

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.
